

## SPECIAL NEWS

Domestic Economy Desk

## National roadmap for contract farming necessary: Official

Preparing a national roadmap for contract farming is necessary for the development of Iran's agricultural sector, said the deputy minister.

Hossein Shirzad, who is also the CEO of the Central Organization for Rural Cooperatives (CORC), called for approving regulations, standards and supervisory criteria and forming a group of farmers to develop contract farming, reported corc.ir.

The agriculture value chain should be covered by subsidy systems, said the official, adding that the contract farming also helps subsidy system and financial securing of the agricultural sector make progress.

Referring to the absence of modern industrial machinery in the agricultural sector, the official affirmed that lack of a production-oriented agriculture technology has caused great problems in the production chains.



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Elaborating on the subsidy system of agriculture sector in developed countries, Shirzad said that in Iran, the supportive funds should be allocated to the components of the value chain rather than the final producers or consumers.

He implied that we need to shift from tradition production to industrial production.

Focusing on the scientific policy of contract farming including, simplification and standardizing is the prerequisite of contract farming.

The official added that there are many challenges in contract farming that should be resolved by the unity of both the public and private sectors.

Emphasizing on the importance of legal rights of both parties in the agricultural value chain, Shirzad stated that having a win-win state in the contract farming requires recognizing and safeguarding the rights of both parties.

"The research institutes should equip the contract farming with innovations and modern technologies in order to boost the competitiveness and decrease the final price of service and products," he said.

Explaining the government role in contract farming, the deputy minister said that development of contract farming requires the national agricultural value chain as well as different farming systems including core farming model, multisection, individual and intersection farming models.

Pointing to the supplying of saffron in the agricultural mercantile stock exchange as a very successful case, Shirzad said controlling price fluctuation, boosting standardizing and trade commitment are the advantages of contract farming.

He also said that inefficient insurance system is one of the main obstacles of the contract farming that should be solved by expert-level work.

"As the final section of the supply chain, the market should be recognized as a determining factor in contract farming, furthermore market modernization could satisfy the end user," the official said.

Shirzad expressed that it is necessary to transform agricultural unions and trade societies which seek their members' interests.

He recommended applying Islamic financial tools including using sukuk, mozarea and mosaqat (contracts for agricultural purpose), percentage, purchasing of the liabilities, renting and ordered production for agriculture projects.

Shirzad said the good management of process and expert-level transactions guarantees the contract farming's profitability.

"The development of a legal and supportive framework will facilitate the contracts in the agriculture sector," Shirzad added.

## Iran, Oman review agricultural, fisheries cooperation

Iran's Ambassador to Muscat Mohammadreza Nouri Shahroudi met with Omani Agriculture Minister and Fisheries Hamad bin Said bin Sulaiman al-Aufi and discussed ways to develop cooperation in the agricultural and fisheries fields.

The Iranian ambassador underlined all-out expansion of communications between the two states and said Iranian businessmen and firms are ready to invest in different fields of agriculture and maritime of Oman, Fars News Agency reported.

The Omani minister, for his part, welcomed investments by Iranian companies and businessmen in Oman.

He pointed to high quality of Iranian goods, especially in the fields of agricultural products and livestock, and added that Oman will welcome cooperation with Iran in these fields.

In October 2018, a senior Iranian economic official said that Tehran and Muscat are eager to boost their trade ties up to \$1 billion.

Head of Iran-Oman Joint Chamber of Commerce Mohsen Zarrabi also added that both countries have good economic relations and the ties have even expanded in recent years due to extended bank cooperation between the two countries.

## Iran's non-oil exports exceed \$60b

Iran exported more than \$60 billion worth of non-oil goods during the past 18 months, Iran's Economy Minister Farhad Dejjasand said.

"Iran's non-oil exports reached 61 billion dollars over past 18 months," Dejjasand said, reported Fars News Agency.

He added that only \$27 billion have been repatriated, that is, 45 percent of the total sum.

Iran obliged exporters several months ago to repatriate their forex revenues in a bid to resuscitate the country's economy.

On Sunday, Head of Iran Customs Administration Mehdi Mirashrafi said Iran's non-oil trade with the world surpassed \$42 billion in the first six months of the current Iranian year (March 21-September 22).

Iran's non-oil exports (excluding crude oil, kerosene and diesel, as well as luggage exports) amounted to more than 70 million tons valued at \$20.9 billion during this period (Iranian Calendar system starting from March 2019), according to Iran Customs.

According to the report, the top five exports destinations during this period were China, Iraq, Turkey, the United Arab Emirates (UAE) and Afghanistan, respectively, accounting for 75% of Iran's total export value.

Iran also imported 16.5 million tons of goods valued at \$ 21.2 billion during the period.



IRNA

## 18 countries attend Tehran Minex 2019

The 8th edition of the International Exhibition of Investment Opportunities in Iran's Mines and Mining Industries, known as Minex 2019, started in Tehran on Tuesday with the presence of investors from 18 nations.

The three-day event presents the latest technologies and equipment, services, machineries for mines and mining industries in exploration, excavation, processing and production, reported Fars News Agency.

Representatives from Canada, South Africa, Japan, China, Pakistan, South Korea, India, Sweden, the Netherlands, Spain and Germany are attending this year's event.

The annual event also aims to introduce investment opportunities in Iran for mining

companies worldwide. Minex is organized by the Ministry of Industry, Mine and Trade, in cooperation with several other organizations.

Iran is home to 68 types of minerals, with more than 37 billion tons of proven reserves and 57 billion tons of potential reserves.

According to the United States Geological Survey, Iran is home to more than seven percent of the world's mineral reserves.

Last month, the Iranian Mines and Mining Industries Development and Renovation (IM-DR) announced in a statement that the country is going to increase investment in the mining sector, recounting that 150 mines will be re-activated in a bid to boost Iran's economic growth in the face of the US unilateral sanctions.



IRNA

## First VP: Iran's economy improving despite US sanctions



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Iranian First Vice President Es'haq Jahangiri announced that the US and its allies' plots to bring the country's economy into a collapse have all failed, adding that the conditions are improving.

"The reports and data released by the country's official organizations show that despite the US harsh sanctions and, as they say, the economic war that they have waged against the Iranian nation, the country's economic conditions are moving towards improvement," Jahangiri said, addressing a ceremony in Tehran on Tuesday, reported Fars News Agency.

Jahangiri said data shows that Iran's economy is moving towards positive growth with good capability to create jobs.

Last week, Governor of the Central Bank of Iran (CBI) Abdolnaser Hemmati said that the US attempts to bring the country's economy into collapse had all failed and the value of the national currency increased 40 percent.

"The US and its regional allies had launched a full-scale economic, psychological and propaganda war against Iran with the aim of bringing the country into collapse via economy (last year)," Hemmati wrote on his Instagram page.

## Offshore parts of South Pars to see full development in 2020: Zanganeh

Iran's Oil Minister Bijan Namdar Zanganeh said the offshore sections of 27 fields of the South Pars energy field in the Persian Gulf will be fully developed in the first half of 2020.

Addressing the opening ceremony of the 5th Oil and Power Congress in Tehran on Tuesday, Zanganeh said that the South Pars Phase 11 development plan will be launched by the end of the current Iranian calendar year (March 20, 2020), Shana reported.

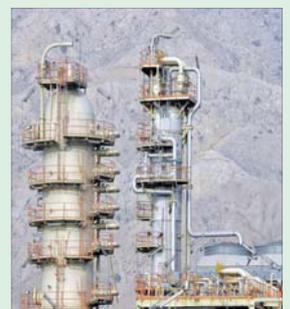
He further said that Phase 14 of the field will come on stream by 2021, adding, "We have made great progress in South Pars gas field."

"We had initially intended to exploit the technology of building pressure booster platforms in Phase 11 with Total in the project which unfortunately failed as Total and CNPC pulled out of the project because of the imposition of sanctions," Zanganeh said.

"They did so in a friendly manner and we did not have disputes with them in this regard. The sanctions created an atmosphere in which they could not and did not want to stay in the contract," he said.

They thought they could not continue the work and left the project anyway, Zanganeh noted.

By mid-March 2020, 70 mcm/d of sweet gas will be added to South Pars daily output, he added.



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